

APPROPRIATIONS COMMITTEE

Meeting Minutes

For the Meeting Held On November 4, 2014

Meeting Time : 6:30 pm

Location : Council on Aging – Conference Room

Address : 328 North Main Street, East Longmeadow, MA

Meeting Posted On: **Day:** Wednesday **Date:** 10 / 29 / 2014

(48 hrs required)

Is Meeting Being Recorded by Digital Recorder: Yes _____ No X

The Minutes of this Meeting are being taken by: Sam Pizzanelli

Committee Members: (check if attended)

Eric Madison	✓	Russell Denver	✓	James Broderick	✓	James Walsh	
Dawn Starks	✓	Rocco Carabetta	✓	Sam Pizzanelli	✓	Sara Menard	✓

Attendees: Sara Menard, James Sheils.

Did the Chair release any prior Executive Session Minutes?

Yes		No	x
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Dates of Executive Session Released :

TOPIC / MATTER #1

Review of FY15 & FY16 Sources & Uses

Summary of Matter Discussed :

- The Town Accountant distributed the FY15 & FY16 Sources & Uses Documents she had prepared for discussion.
- She gave a review of the FY15 first quarter projected sources & uses to actual results for the same period. The actual figures netted are within 1% of projections. Per the Town Accountant, the projected Source figure for motor vehicle excise for the entire fiscal year appears to be too low even though the first quarter actual results underperformed projections since the bulk of the MV excise is received later in the fiscal year. Additionally, there will be higher receipts than projected in the RE tax levy area for New Growth but most of this is a one-time adjustment.
- The Debt Exclusion amount in the RE tax levy calculation will remain the same through FY22.
- Based upon the new valuations of real estate in East Longmeadow, the top levy rate for the next billing cycle is \$20.96/1,000. The previous set rate \$20.47.
- Uses were then discussed for the first quarter projected with allocated actual figures. There was discussion whether the board should recommend to the Board of Selectmen to go to the levy limit. The recommendation of the board was to recommend to the Board of Selectmen to do so with a further recommendation to allocate the excess funds generated to budgets where loss of services occurred and to capital projects approved but not funded. This will require a special town meeting before the annual town meeting in May to approve.
- A first run through of Sources for FY16 was discussed with the Town Accountant. Potential adjustments were discussed. Additionally, she provided more detail on what she considered to be indirect and direct costs for the employees of the Water & Sewer Enterprise Funds.

- Additionally, a history of the creation of these funds was given to the Town Accountant to help her develop a process to allocate these costs over the coming fiscal years.
- The Chairman read aloud the proposed letter to the Board of Selectmen from Appropriations with advice on the possible revenue increases or expense reductions that the Board of Selectmen should consider given the anticipated “no significant growth in revenue” for FY16. The advice listed three items for consideration by the Board of Selectmen:
 - a. Change to employee health design re: deductibles increase (net \$119,000 savings),
 - b. Eliminating part-time elected officials’ health care insurance (net \$75,000 savings),
 - c. Possible adoption of local meals tax (\$200,000 source).

Documents or Exhibits for this Matter:

- FY15 Sources & Uses, FY16 Sources & Uses.

Votes Taken Under this Matter :

- None

TOPIC / MATTER #2

Meeting Minutes – October 9, 2014 & October 27, 2014

Summary of Matter Discussed :

- The Meeting Minutes of October 9, 2014 were reviewed. A motion was made to accept the October 9th minutes, it was seconded and all were in favor.
- The Meeting Minutes of October 27, 2014 were reviewed. A motion was made to accept the October 27th minutes, it was seconded and all were in favor.

Documents or Exhibits for this Matter:

- Appropriations Committee Meeting Minutes: October 9, 2014, & October 27, 2014

Votes Taken Under this Matter :

- A motion was made to approve the October 9, 2014 Meeting Minutes. The motion was seconded and all were in favor.
- A motion was made to approve the October 27, 2014 Meeting Minutes. The motion was seconded and all were in favor.

8:13 PM: Motion to Adjourn

MEETING FOLLOW UP:
Determine if Town fails to go to the levy limit for FY15 does that preclude or restrict the Town from going to the calculated levy limit for FY16
Determine how much of total operating debt from free cash (i.e. debt not part of the “Debt Exclusion” amount from Sources) will be paid off during FY15 ~ Sara
Provide further refined updates to FY16 Sources & Uses ~ Sara
PRIOR MEETING NOTES:
Note: Set date for Auditor’s budget forum
Committee Goals :
Health Insurance Plan Designs
Health Insurance for part-time Elected Officials
Meal Tax generation
Professional Development Class
Increase OPEB Appropriation
Establish a Capital Planning Budget